

7/26/2004



1765063 - R8 SDMS

Davis Graham & Stubbs LLP

July 26, 2004

Via Federal Express

Sheldon H. Muller, Esq.
United States Environmental Protection Agency
Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466

Re: Rico Mine Site – Privileged Documents

Dear Sheldon:

This letter pertains to documents that Atlantic Richfield Company ("Atlantic Richfield") retained following its review of the files located in Rico Renaissance's office in Rico during the period of January 19-21, 2004. I apologize for the time that has transpired since we last discussed this topic. During the January review, Atlantic Richfield discovered a small number of potentially privileged documents (approximately 39) intermingled with the voluminous files located in the Rico Renaissance office, and Atlantic Richfield removed these documents in order to confirm their privileged status. Atlantic Richfield has now determined that the majority of these documents (approximately 32) do in fact constitute attorney-client communications or attorney work product, and as such, Atlantic Richfield asserts that this subset of the documents is privileged. Copies of documents determined to be non-privileged are being transmitted to EPA as enclosures to this letter.

Background

Atlantic Richfield entered into a Purchase and Sale Agreement dated May 9, 1988, under which Atlantic Richfield transferred the Rico properties then owned by The Anaconda Company ("Anaconda") to Rico Development Corporation ("RDC"). See Exhibit A. In accordance with this Agreement, Atlantic Richfield transferred possession of thousands of documents located in Anaconda's Rico mining operations office to RDC at Closing, consisting of technical, environmental, and operation data pertaining to the properties. Several written confidential communications between Anaconda counsel and Anaconda staff, and work product, were intermingled with the documents transferred to RDC. As discussed in more detail below, Atlantic Richfield did not intend to transfer any privileged documents with the numerous other files to RDC; thus, these documents were inadvertently disclosed. In light of the circumstances surrounding the transfer of custody of these documents explained below, the privileged nature of these documents was not waived, and Atlantic Richfield therefore declines to relinquish these documents.

William J. Duffy, 303 892 7372, william.duffy@dgsllaw.com

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Letter to EPA

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Waiver of Inadvertently Disclosed Privileged Material

The majority of federal courts, including several district courts within the Tenth Circuit, and state courts, reject the theory that inadvertent disclosure is an absolute waiver, and instead examine whether a waiver has occurred by inadvertent disclosure on a case-specific basis, considering five factors: reasonable efforts made to avoid disclosure; prompt action taken to rectify errors; the discovery scope and burden; the limited extent of disclosure; and overriding issues of fairness. See, e.g., Wallace v. Beech Aircraft Corp., 179 F.R.D. 313 (D. Kan. 1998); KN Energy, Inc. v. Sinclair Oil Corp., 1995 U.S. Dist. Lexis 15658 (D. Wyo. 1995); Hartford Fire Insur. Co. v. Garvey, 109 F.R.D. 323 (N.D. Cal. 1985); Floyd v. Coors Brewing Co., 952 P.2d 797 (Colo.App. 1997), rev'd on other grounds, 978 P.2d 663 (Colo. 1999). In the single case in which the federal district court in Colorado has been confronted with an inadvertent disclosure that raised the issue of waiver, the court, based on federal and Colorado state case law, rejected the contention that inadvertent disclosure automatically results in waiver of the privilege. Shriver v. Baskin-Robbins Ice Cream Co., Inc., 145 F.R.D. 112, 116 (D. Colo. 1992). The Tenth Circuit noted that for an attorney-client communication, the privilege may be lost if the client discloses the substance of a privileged communication to a third party, even if disclosure is inadvertent. United States v. Ryans, 903 F.2d 731, 741 n.13 (10th Cir. 1990). However, the federal district court of Utah observed that this statement was made in a narrow footnote, and that the case itself did not treat the specific issue. Lifewise Master Funding v. Telebank, 206 F.R.D. 298, 303 fn. 4 (D. Utah 2002). Thus, federal and state courts favor the view that inadvertent disclosure is only a factor to be considered in determining whether the attorney-client privilege has been waived.

In the case of attorney work product, the majority rule is that disclosure of work product to a third-party non-adversary, even if intentional, does not result in waiver of the work product because such a disclosure is not inconsistent with the fundamental purpose of the work-product privilege – to promote the adversary system by protecting work product from an opponent's use against the attorney's client. United States v. American Tel. & Tel. Co., 642 F.2d 1285, 1299 (D.C. Cir. 1980); In re Foster, 217 B.R. 631, 640-41 (D. Colo. 1997), aff'd in part, rev'd in part, 188 F.3d 1259 (10th Cir. 1999). Consequently, as further discussed below, the inadvertent disclosure of documents in this case has not resulted in the waiver of attorney work product protection.

Inadvertent Transfer of Documents to RDC

Given this legal backdrop concerning waiver of privilege, and the circumstances surrounding Atlantic Richfield's transfer of documents to RDC, the privilege was not waived as to the handful of privileged documents at issue.

Atlantic Richfield inadvertently disclosed the privileged documents in 1988.

That Atlantic Richfield had no intent in 1988 to disclose these privileged documents is demonstrated by several facts. Atlantic Richfield had in 1988 and continues today to have an established corporate policy against disclosure of any attorney-client communications to third parties. Consistent with this policy, Atlantic Richfield transferred no documents to RDC from its corporate and legal offices in Denver. Moreover, when Atlantic Richfield became aware of the existence of potentially privileged documents in the custody of Rico Renaissance, including work product, Atlantic Richfield took immediate steps to remove and protect the documents from disclosure. Atlantic Richfield also promptly provided a list of documents removed to EPA, and provides a privilege log attached hereto.

Please be aware that certain documents within this set of privileged documents were identified in litigation involving Atlantic Richfield in the mid-1990s. Crystal Oil Company v. Atlantic Richfield, Civil Action No. CV 95-2115S. Atlantic Richfield asserted privilege to these documents at that time, as demonstrated by the fact that the documents were listed on Atlantic Richfield's Privilege Log prepared for that case. As such, the relevant documents were never disclosed during the course of discovery or court proceedings. Thus, Atlantic Richfield has consistently considered these documents privileged, to be protected from disclosure to any third party.

Finally, the very nature of the files transferred to RDC in 1988 indicates that Atlantic Richfield had no expectation that legal documents were present in the Rico office, and that Atlantic Richfield, therefore, never intended to transfer the intermingled privileged documents to RDC. Paragraph 4 of the Agreement with RDC required Atlantic Richfield to transfer technical, environmental and ownership data at Closing – records such as drill hole logs, reserve reports, work plans and technical manuals, title records, and construction and maintenance records. The files transferred to RDC consisted only of the files that Anaconda kept onsite in the Rico mining office, and at no time were files from Atlantic Richfield's corporate offices in Denver transferred to RDC. In fact, Anaconda had no legal staff on location in Rico, and when Anaconda closed its Rico office in approximately 1980, all personnel were relocated, and records secured in locked onsite storage. The documents now in Rico Renaissance's possession plainly consist of the type of information associated with the technical mining operations conducted out of Anaconda's Rico office, except for the handful of privileged documents, most of which are photocopies. Confidential communications of legal nature or work product would not have been purposely located in Rico, and therefore, would not have intentionally been transferred with non-legal documents, pursuant to the corporate privileged document policy.

These facts collectively demonstrate that Atlantic Richfield's transfer of privileged documents to RDC in 1988 was not intended, and falls within the scope of inadvertent disclosure under the relevant caselaw.

Factors considered by courts as to whether waiver has occurred by inadvertent disclosure favor protection of these documents.

The extenuating circumstances surrounding these privileged documents dictate that the documents remain protected attorney-client communications or work product, and that Atlantic Richfield is not required to turn these documents over to EPA. First, Atlantic Richfield took reasonable precautions to ensure that the files conveyed to RDC contained no privileged or confidential materials. Given that thousands of documents were transferred to RDC in 1988, the fact that a small number of privileged documents (approximately 32) were unintentionally included with the those files does not defeat the privilege claim. Atlantic Richfield, through a broad corporate policy protecting privileged communications, clearly made a reasonable effort to avoid disclosure, and issues of fairness mandate that the involuntary disclosure of the small handful of privileged documents out of thousands of files transferred to RDC does not waive the privilege.

Second, Atlantic Richfield became aware that the files located in Rico Renaissance's office contained privileged material only after conducting a diligent reexamination of all the files this past January. No other party brought this to Atlantic Richfield's attention. Atlantic Richfield then took prompt steps to rectify the mistake and maintain protection of the documents. Third, it is highly unlikely that the substance of this small number of privileged documents has been actually "disclosed" to a third party. This is not a case where Atlantic Richfield is attempting to retrieve privileged documents disclosed to an adversary who has already thoroughly examined, removed and photocopied them. In circumstances where the "gist" of accessible documents has not been learned, it is well recognized that such documents are deemed not to have been disclosed. See, Chubb v. National Bank of Washington, 103 F.R.D. 52 (D.D.C. 1984). Given the remote location, storage method, and sheer number of documents at Rico Renaissance's office, as well as the evidence of Atlantic Richfield's intent to assert privilege over these documents in the Crystal Oil litigation, the content or substance of this small number of privileged documents has not been publicly disseminated or disclosed in fact, and remains protected as a matter of law. The privileged nature of these documents, therefore, remains fully intact in this case.

In addition, Anaconda's transfer of any attorney work product to RDC does not waive the privilege status of that material. Notwithstanding the fact that, as explained above, such a transfer was inadvertent, RDC was a third-party non-adversary of Atlantic Richfield. Moreover, the contents of work product have not been disclosed specifically to EPA at any point in time, particularly with respect to the matter at hand. Consequently, any work product retrieved from the Rico Renaissance office in Rico remains privileged material.

For the reasons stated herein, all the attorney-client communications and work product retained from the Rico Renaissance files remain privileged, and Atlantic Richfield therefore declines to surrender any of these privileged documents to EPA. Enclosed herewith are

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photocopies of documents retrieved that we have determined are not privileged. The originals are being returned to Mr. Escure. Please feel free to contact me if you wish to discuss any issues raised by this letter. I am also enclosing with this letter, photocopies of two drill hole logs and a 1976 map of proposed prospect areas in the Rico vicinity, the originals of which were removed from the Rico Renaissance offices for copying. These originals are also being returned to Mr. Escure as enclosures to this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Duffy", written in a cursive style.

William J. Duffy

for

DAVIS GRAHAM & STUBBS LLP

Enclosures

cc: Jean Martin, Esq., Atlantic Richfield
David McCarthy, Atlantic Richfield
Ramon M. Escure, Esq.

**Atlantic Richfield Company
Privilege Log
Rico Mine Site**

FILE CABINET/BOX	FOLDER	DOCUMENT TYPE	NUMBER OF PAGES	DOC DATE	AUTHOR	RECIPIENT(S)	cc:	SUBJECT	BASIS OF PRIVILEGE
RPFCAB-1, Drawer 2	Rico Corresp.-Misc.-1978	Inter-Company Corresp.	1	06/01/78	Burdette, T.N.	Clark, G.M., Esq.	Barber, G.A.; Wilson, J.C.	Transmittal Letter for RAMCO Agreement (no Agreement attached in file)	Attorney Client Communication
RPFCAB-4, Drawer 4	Water Corresp. & Analysis	Memorandum	2	08/16/78	Himelspach, Daniel C., Esq.	File	Clark, Graham M. Jr., Esq.; Whyte, Jack; Wilson, John; Burdette, Tom	Argentine Mine on-site visit	Attorney Client Communication
RPFCAB-4, Drawer 4	Water Corresp. & Analysis	Inter-Company Corresp.	2	11/20/78	Himelspach, Daniel C., Esq.	Wilson, John C.	Tidball, E.C., Esq.; Whyte, J.R.; Clark, G.M., Esq.; Anderson, J.F.	Environ. Liability - Rico Project	Attorney Client Communication
RP-16	Agreements/Royalties	Internal Corresp.	1	12/21/79	Johnson, D.V., Esq.	Brinley, Ed		Magness & Truelson Lease & Option Agreement	Attorney Client Communication
RP-16	Truelson Acquis.	Internal Corresp. with Handwritten Notes	1	02/12/80	Johnson, D.V., Esq.	Brinley, E.H.		Revised Draft Truelson Lease and Option Agreement	Attorney Client Communication
RP-16	Short Notes & W. Appraisal	Handwritten Notes	1	02/15/80	Brinley, E.	----		Notes of Discussion with Doug Johnson and Mike B. re: unpatented and patented claims	Attorney Client Communication
RP-16	Short Notes & W. Appraisal	Internal Corresp. with Handwritten Notes	3	02/19/80	Johnson, D.V., Esq.	Brotzman, M.F.	Rupp, G.E.; Savelson, E.M.; Brinley, E.H.; Janowski, D.L.; Barnum, N.; Howard, C.C., Esq.	Memo of Agreement w/ RAMCO	Attorney Client Communication
RP-16	Short Notes & W. Appraisal	Internal Corresp.	2	02/21/80	Johnson, D.V., Esq.	Rupp, G.E.	Barnum, N.; Barrett, L.; Brinley, E.H.; Brotzman, M.F.; Howard, C.C., Esq.; Janowski, D.L.; King, J.; Savelson, E.M.; Wilson, J.C.	Option to Purchase Agreement w/RAMCO	Attorney Client Communication
RPFCAB-3, Drawer 4	Rico Land	Internal Corresp.	5	05/19/80	Johnson, D.V., Esq.	Brinley, E.H.	King, J.; Rupp, G.; Savelson, E.M.; Wilson, J.C.	Hicks-Peterson Negotiations	Attorney Client Communication
RPFCAB-3, Drawer 4	Rico Land	Internal Corresp.	2	05/22/80	Brinley, E.H.	Wilson, John; Johnson, Doug, Esq.	Rupp, G.E.; Savelson, E.M.; King, J.	Hicks-Peterson Negotiations	Attorney Client Communication
RP-16	Truelson Acquis.	Internal Corresp.	1	05/27/80	Johnson, D.V., Esq.	Brinley, E.H.	Rupp, G.E.; Savelson, E.M., Brophy, P.J., Esq.	Truelson Lease & Option	Attorney Client Communication

Atlantic Richfield Company

Privilege Log

Rico Mine Site

FILE CABINET/BOX	FOLDER	DOCUMENT TYPE	NUMBER OF PAGES	DOC DATE	AUTHOR	RECIPIENT(S)	cc:	SUBJECT	BASIS OF PRIVILEGE
RPFCAB-3, Drawer 4	Rico Land	Memorandum	2	6/11-12/80	Brinley, E.H.	Wilson, J.C.; King, J.; Johnson, D.V., Esq.; Savelson, E.M.; Rupp, G.E.; Barber, G.A.		J. Magness (Lay) Family Negotiations	Attorney Client Communication
RPFCAB-3, Drawer 4	Rico Land	Memorandum	3	06/12/80	Brinley, E.H.	Wilson, J.C.; King, J.; Johnson, D.V., Esq.; Savelson, E.M.; Rupp, G.E.; Barber, G.A.		Durall & Deanna Truelson Negotiations	Attorney Client Communication
RP-16	Truelson Acquis.	Internal Corresp.	1	06/25/80	Johnson, D.V., Esq.	Savelson, E.M.	Brinley, E.H.	Truelson Lease & Option	Attorney Client Communication
RPFCAB-3, Drawer 4	Rico Land	Internal Corresp., with Handwritten Notes	1	08/11/80	Johnson, D.V., Esq.	Brinley, E.H.	Hubbard, K.D., Esq.	Annexations and Land Trades	Attorney Client Communication
RP-16	Crystal/RAMCO	Memorandum with Handwritten Notes	1	08/27/80	Johnson, D.V., Esq.	Wilson, J.C; King, J.R.; Brinley, E.H.	Rupp, G.E.; Janowski, D., Sickler, D.	1980 Assessment Work on Unpatented Claims	Attorney Client Communication
RP-17	Telephone Company	Correspondence and Memo with Handwritten Notes	9	09/23/80	Johnson, D.V., Esq.	Rupp, G.E.; Janowski, D.L.; Wilson, J.R.; King, J.; Brinley, E.H.	Barber, G.A.	PUC Approval of Transfer of Rico Telephone Co. assets	Attorney Client Communication
RP-102	D. Janowski	Internal Corresp.	1	10/03/80	Janowski, D.L.	Brophy, P.J., Esq.	Jahnke, O.; Rupp, G.E.	Indemnity Letter	Attorney Client Communication
RP-102	E. Brinley	Internal Corresp.	2	10/08/80	Brinley, E.H.	Johnson, D.V., Esq.	Rupp, G.E.; Savelson, E.M.; Kittel, D.F.; Jahnke, O.; King, J.R.	Special Land Use Permits re: Segregated Lands	Attorney Client Communication
RP-102	D. Johnson	Correspondence with attached letter from CDPHE	4	12/01/80	Johnson, Douglas, V., Esq.	O'Connor, Davis, Esq.	Gregory, Robert, R., Esq.; Barber, G.A.; Wilson, J.C.; King, J.R.; Rupp, G.E.; Jahnke, O.L.; Whyte, J.R.; Dent, R.L.; Edwards, H.L., Esq; Brophy, P.J., Esq.; Jones, W.S.; Esq.	Re: attached letter and project schedule to CDH WQCD pertaining to NOV Cease & Desist Order from CDPHE	Attorney Work Product
RPFCAB-3, Drawer 4	Rico Land	Internal Corresp. - Legal Dept.	1	01/23/81	Johnson, D.V., Esq.	Brinley, E.H.	Wilson, J.C.; King, J.R.; Rupp, G.E.; Janowski, D.L.	Lot Trade with Catholic Church	Attorney Client Communication
RPFCAB-3, Drawer 4	Rico Land	Internal Corresp. - Legal Dept.	2	05/13/81	Johnson, D.V.; Esq.	Brinley, E.H.	Wilson, J.C.; King, J.R.; Rupp, G.E.; Janowski, D.L.; Barret, L.	Annexed Unpatented Claims in Rico Townsite	Attorney Client Communication
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp. - Legal Dept. with Handwritten Notes	1	05/28/81	Arnolds, David M., Esq.	Suttie, Jack	Anderson, J.F.; Johnson, Doug, Esq.; Stout, C.; Tidball, E.C., Esq.; Whyte, J.R.	Water Rights Memo	Attorney Client Communication

Atlantic Richfield Company

Privilege Log

Rico Mine Site

FILE CABINET/BOX	FOLDER	DOCUMENT TYPE	NUMBER OF PAGES	DOC DATE	AUTHOR	RECIPIENT(S)	cc:	SUBJECT	BASIS OF PRIVILEGE
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp.	4	06/11/81	Whyte, Jack	Krablin, R.	Nelson, Irl; Stout, Carla; Arnolds, Dave, Esq.	Water Rights/Requirements (with duplicate)	Attorney Client Communication
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp. with Handwritten Notes	2	06/16/81	Wilson, John C.	Rupp, Gerald E.	Barber, G.A.; Anderson, J.F.; Arnolds, D.M., Esq.; King, J.R., Nelson, Irl; Krablin, R.	Water Rights (with duplicate)	Attorney Client Communication
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp.	2	06/16/81	Wilson, John C.	Rupp, Gerald E.	Barber, G.A.; Anderson, J.F.; Arnolds, D.M., Esq.; King, J.R., Krablin, R.	Water Rights (with duplicate)	Attorney Client Communication
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp.	2	06/20/81	Wilson, J.	Arnolds, Dave, Esq.	I.D.N.; C.G.	Water Rights (with duplicate)	Attorney Client Communication
RPFCAB-3, Drawer 1	Unmarked Brown Folder	Internal Corresp. - Legal Dept.	6	09/08/81	Arnolds, David M., Esq.	Distribution	Anderson, J.F.; Polasek, T.L.; Barber, G.A.; Sloan, Dick; Krablin, R.; Whyte, J.R.; Wilson, J.C.; King, J.R.; Rupp, G.E.; Kittel, D.F.; Suttie, J.; Johnson, D.V., Esq.; Tidball, E.C., Esq.	Water Rights (with duplicate)	Attorney Client Communication
RP-16	3rd Party: Billy M. Wall	Internal Corresp. - Legal Dept., with draft agreement	12	03/11/82	Brinley, E.H.	Busch, Wendy, Esq.		Agreement for Billy M. Wall Bald Eagle Patent Group, with draft agreement attached	Attorney Client Communication
RP-16	3rd Party: Billy M. Wall	Internal Corresp. - Legal Dept., with attached draft lease	12	03/17/82	Busch, W.J., Esq.	Brinley, E.H.		Wall Lease & Option with draft lease and option agreement attached	Attorney Client Communication
RPFCAB-3, Drawer 1	Rico Corresp. 1981	Internal Corresp. - Legal Dept.	3	03/24/82	Jones, W.S., Esq.	Garlasco, Chris	Whyte, Jack; Cochenet, Leon; Johnson, Doug, Esq.	NPDES Permit	Attorney Client Communication
RPFCAB-3, Drawer 1	Rico Corresp. 1981	Internal Corresp. - Legal Dept.	1	03/25/82	Johnson, D.V., Esq.	Barber, G.; Wilson, J.	Jones, W.S., Esq.	NPDES Permit	Attorney Client Communication

Individuals Identified in Privilege Log		
Anaconda In-House Counsel	Anaconda Non-Legal Staff	Other
Arnolds, David M.	Anderson, Jack F.	O'Connor, Davis, Outside Counsel, Crystal Oil Company
Brophy, Patrick J.	Barber, G.A.	Hubbard, Kenneth D., Outside Counsel, Crystal Oil Company
Busch, Wendy J.	Barnum, N.	Gregory, Robert, R. - Secretary and General Counsel, Crystal Oil Company
Clark, Graham M., Jr.	Barret, L.	
Edwards, Howard L.	Brinley, Edward H.	
Himelspach, Daniel C.	Brotzman, M.F.	
Howard, Colin C.	Burdette, Tom N.	
Johnson, Douglas V.	Cochenet, Leon	
Jones, Walter S.	Dent, R.L.	
Tidball, Eugene C.	Garlasco, Chris	
	King, J.R.	
	Kittel, D.F.	
	Krablin, Richard	
	Jahnke, Orval L.	
	Janowski, D.L.	
	Nelson, Irl	
	Polasek, T.L.	
	Rupp, Gerald E.	
	Savelson, Edward M.	
	Sickler, D.	
	Sloan, Dick	
	Stout, Carla	
	Suttie, Jack	
	Whyte, Jack	
	Wilson, John C.	

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PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is entered as of the 9th day of May, 1988, between ATLANTIC RICHFIELD COMPANY,, a Delaware corporation ("ARCO") as Seller and RICO DEVELOPMENT CORPORATION, a Colorado corporation ("Buyer").

ARCO owns certain town lots, patented mining claims and other patented lands (collectively the "Fee Lands") plus unpatented mining claims and water rights, along with the real estate purchase contracts, improvements and equipment, in Rico, Dolores County, Colorado, described in Exhibit A (the "Property"). The Property includes approximately 2,900 acres. ARCO desires to sell and Buyer desires to buy the Property.

THEREFORE, in consideration of the mutual promises in this Agreement and the benefits to be derived, the parties agree as follows:

1. Purchase and Sale. Buyer shall purchase from ARCO and ARCO shall sell to Buyer all ARCO's rights, title and interest in the Property for a total purchase price of \$925,000, unless adjusted pursuant to Section 11 hereof. The total purchase price is to be paid as follows:

(a) \$25,000 upon execution of this Agreement as an earnest money deposit.

(b) An additional earnest money deposit of \$25,000 payable 46 consecutive days after execution of this Purchase and Sale Agreement.

(c) The balance of the purchase price due at Closing as that term is defined herein.

(d) All payments required pursuant to the Agreement shall be paid in certified funds, by cashiers check or wire transfer.

(e) Refundable Period. With the exceptions of situations which fall within the provisions of Article 9 hereof, Buyer may cancel this Agreement by providing a written notice of cancellation to ARCO, prior to the 21st consecutive day after the execution of this Agreement and Buyer shall receive a full refund of escrow money deposits, without any interest accruing thereon, and both Buyer and ARCO shall be relieved from any additional obligations under this Agreement, except as provided in Article 4 hereof as to the return of data and confidentiality. Additionally, Buyer may cancel this Agreement, by providing a written notice of cancellation to ARCO, at any time between the 22nd and 45th consecutive day after the execution of this Agreement; provided, however, that \$5,000.00 of the earnest money deposit shall become non-refundable and shall become the

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immediate and sole property of ARCO and both parties shall be relieved from any further obligations pursuant to this Agreement, except as provided in Article 4 hereof as to return of data and confidentiality. If 46 consecutive days after the execution of this Agreement, Buyer shall not have provided a written notice of cancellation to ARCO, the full amount of the earnest money deposit shall become non-refundable and shall be the immediate and sole property of ARCO and both parties shall be relieved from any further obligations under this Agreement except as provided in Article 4 hereof as to the return of data and confidentiality. In the event that this transaction is closed, all earnest money deposits paid by Buyer shall be credited against the purchase price.

2. Conditions to Closing

(a) Buyer's conditions to Closing are as follows:

(1) Buyer shall determine that there is no substantial material defect of title to the Property (as defined in Article 9) based upon a review of the preliminary title insurance commitments for the patented claims and other title evidence. Buyer shall have 60 days from the date of the execution of this Agreement to complete its review of title.

(2) Buyer shall approve of the Property based upon a physical inspection and feasibility study of the material to be provided to Buyer pursuant to Article 4 hereof. Buyer must report its disapproval within 46 consecutive days after the date of this Agreement in order to receive any refund of its earnest money deposit.

(3) Receipt of the approval of the assignment of the Colorado Discharge Permit System, Permit No. CO-0029793 as amended (the "Discharge Permit").

(b) ARCO's conditions to Closing are as follows:

(1) ARCO shall approve of Buyer's credit worthiness and ability to assume the obligations of the sale as set forth herein. Buyer has provided ARCO with certain financial statements upon which ARCO is relying. Buyer warrants that all aspects of said financial statements are true and accurate. Buyer shall inform ARCO of any materially adverse changes in its financial condition occurring prior to Closing and, upon ARCO's reasonable request, shall provide ARCO with any additional financial or other information which may relate to Buyer's ability to perform.

(2) Receipt of the approval of the assignment of the Discharge Permit. In this regard, ARCO shall submit within 46 days after the execution date of this Agreement an "Application for Transfer and Acceptance of Terms of a Colorado Permit" (the "Application") relative to the transfer of the Discharge Permit. Buyer shall have cooperated in a reasonable manner to assist ARCO in the preparation and submittal of the Application. It is agreed that the Application shall be withdrawn if Closing does not occur and Buyer shall be released from any responsibility or obligations associated with the Application.

(3) ARCO is the owner of a vendee's interest in a land sale contract, associated Promissory Note and Deed of Trust dated September 1, 1981 between Lucy Fahrion, James E. Fahrion and Robert A. Fahrion as Seller and The Anaconda Company, ARCO's predecessor in interest. The property which is subject to the Contract, the associated Promissory Note and Deed of Trust is described in Exhibit B attached hereto. Parties agreed that as part of the consideration for this sale, ARCO will assign and convey its rights and obligations in the Contract, Promissory Note and Deed of Trust and Buyer shall assume all of ARCO's rights and obligations thereunder. Accordingly, at Closing Buyer agrees to provide ARCO an assumption of the Contract, Promissory Note and Deed of Trust in the form of Exhibit C attached hereto and Buyer shall agree to defend, indemnify and hold ARCO harmless from all matters associated therewith.

(4) ARCO is the owner of a vendee's interest in a land sale contract, associated Promissory Note and Deed of Trust dated June 8, 1982 between Gerald F. Lynton and Martha A. Lynton, husband and wife as Seller and Atlantic Richfield Company, ARCO's predecessor in interest. The property which is subject to the Contract, associated Promissory Note and Deed of Trust is described in Exhibit D attached hereto. Parties agreed that as part of the consideration for this sale, ARCO will assign and convey its rights and obligations in the Contract, Promissory Note and Deed of Trust and Buyer shall assume all of ARCO's rights and obligations thereunder. Accordingly, at Closing Buyer agrees to provide ARCO an assumption of the Contract, Promissory Note and Deed of Trust in the form of Exhibit C attached hereto and Buyer shall agree to defend, indemnify and hold ARCO harmless from all matters associated therewith.

3. Closing. The Closing shall be held at a mutually agreeable time on or before the expiration of 120 days from the date of execution of this Agreement at ARCO's office in Denver, Colorado or such other place as the parties may agree.

msb

At the Closing, ARCO shall deliver to Buyer the following:

- (a) a Special Warranty Deed in the form of Exhibit F to the Fee Lands;
- (b) a Quit Claim Deed in the form of Exhibit G to the unpatented mining claims and water rights;
- (c) a Bill of Sale in the form of Exhibit H to all the personal property;
- (d) a standard coverage title insurance policy covering the Fee Land in the amount of the purchase price, subject to the exceptions shown on the preliminary title commitments. It is the intent of ARCO to transfer to Buyer all assets of whatever nature in and around Rico that ARCO owns as of the date of the Closing. The list of personal property in Exhibit A is based on ARCO's prior records and may be inaccurate. Some items listed may no longer be in ARCO's possession and, therefore, are not part of the sale. Other items may be a part of the sale but not listed; and
- (e) confirmation of assignment of the Discharge Permit to the Buyer.

At the Closing, Buyer shall deliver to ARCO the following:

- (a) The payment of the balance of the purchase price as required by Section 1.C. hereof; and
- (b) The documents referenced at Articles 2.(b)(3) & (4) hereof.
- (c) Personal guarantees from Marion D. Sell and Wayne E. Webster, in forms attached hereto as Exhibits I and J.

Within one year subsequent to Closing, if Buyer identifies any fee lands or unpatented mining claims located within the Rico Project Area, as described as "Anaconda Holdings, Rico, Dolores County, Colorado, Plate 2" dated June 19, 1987, which were not previously conveyed by Seller to Buyer at Closing, then Buyer shall notify Seller in writing and Seller shall have 30 days in which to quitclaim such property to Buyer.

4. Data Inspection. All technical, environmental and ownership data concerning the Property, located at Rico or in Denver, will be transferred to Buyer as soon as practicable after the Closing. ARCO will make all that data available to Buyer or its representatives for inspection between the signing of this Agreement and the Closing. Buyer and its agents shall use the

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information internally and for its own benefit until Closing and treat it in a confidential and proprietary manner during that period. ARCO makes no warranty, representation or guarantee concerning the technical, environmental and ownership data as to completeness, accuracy, or reliability, or reproducibility, merchantability or fitness for a particular purpose. If the Closing does not occur for whatever reason, Buyer shall return to ARCO all copies of any data made during this period and maintain the data and information as confidential for five years. Subsequent to Closing, Buyer shall allow ARCO access to any data upon prior written notice by ARCO. ARCO shall be allowed to make copies of the data, at its sole expense, if needed for litigation, audits, tax reviews, or any related matter. ARCO does not have a survey of the Property. Buyer may obtain a survey at its own expense.

5. Warranties and Indemnification.

(a) Except for granting a Special Warranty Deed to the Fee Lands, ARCO makes no warranties or representations whatsoever as to its title to the Property. Prior to Closing Buyer shall be entitled to make such examination and investigation with respect to ARCO's title to the Property as Buyer deems necessary or desirable. Buyer shall be entitled to the remedies indicated in Paragraph 9 under the substantial material defect process outlined therein. Prior to Closing Buyer shall have the right to make such examination and investigation of the physical condition of the Property as Buyer deems necessary or desirable. Buyer represents that after that investigation, Buyer shall have satisfied itself with its familiarity with the Property, the boundaries of the Property and the condition of the Property, including the existence of possible hazardous and dangerous conditions and structures on or in the Property, and that Buyer is prepared to accept the Property at Closing in its current condition, as is, where is together with all liabilities associated therewith, and without any warranties from ARCO as to the condition of the Property. **ADDITIONALLY, ARCO HAS MADE NO REPRESENTATIONS OR WARRANTY WITH RESPECT TO THE CONDITION OR SUITABILITY OF ANY STRUCTURES, FIXTURES, OR OTHER TANGIBLE PERSONAL PROPERTY INCLUDED IN THE PROPERTY AND BUYER WILL ACQUIRE ALL THAT PROPERTY WITHOUT WARRANTY OF ANY KIND, EXPRESSLY INCLUDING ANY IMPLIED WARRANTIES AS TO MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.**

(b) Buyer agrees to indemnify, defend and hold ARCO, its affiliated companies, and their respective officers, directors, employees and shareholders harmless from all claims, demands, damages and liabilities with respect to personal injury, death or property damage by anyone,

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whenever occurring, arising or resulting from the condition of the Property or the use or occupancy by Buyer, its [heirs, personal representatives] successors and assigns, of the Property subsequent to Closing.

(c) ARCO cannot and does not warrant in any way its title to the water rights conveyed as part of the Property or the quantity, priority or right to use any of the water rights, historical use of any such water rights, the beneficial use or uses to which water rights have been applied, or the point or points at which the water rights may be used at this time or in the future. In no event shall ARCO be responsible for any loss, restriction or diminution of any of the water rights to be conveyed hereunder which is caused by any subsequent adjudication, judgment, or other decision after the date of the Closing. Subsequent to Closing, Buyer shall be responsible for all water rights conveyed to it by ARCO, including, without limitation, responsibility for taking all steps necessary to maintain the water rights, giving all required notices with respect to their transfer, and obtaining all necessary approvals to change a point of diversion, place of use, type of use or other actions necessary to maintain the water rights, or to use them.

6. Environmental Liabilities. The Buyer is thoroughly familiar with the nature of the environmental situation at the Property. Buyer has been provided access to all data and records regarding environmental matters associated with the Property and agrees to assume full responsibility for all existing and future environmental liabilities resulting from the current condition of the Property or the use or occupancy of the Property by the Buyer, or its [heirs, personal representatives] successors and assigns, subsequent to Closing, including without limitation, water quality and treatment relating to the Property, including, but without limitation, responsibility, coverage and liability for the Discharge Permit. Buyer agrees to indemnify and hold ARCO, its affiliated companies, and their respective officers, directors, employees and shareholders harmless from any claims, demands, damages and liabilities, whenever occurring, resulting or arising from environmental conditions associated with the current condition of the Property or from the use or occupancy by Buyer or [heirs, personal representatives] successors and assigns, subsequent to Closing.

7. Survival. The covenants, agreements and indemnifications set forth in Articles 2(b), 5 and 6 hereof shall survive the Closing.

8. Pro-Rations. Taxes for the current year, rents, leases, water and other utilities constituting liens, if any, shall be prorated and adjusted as of the Closing.

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9. Title Examination and Defect. Except for granting a Special Warranty Deed for the Fee Lands, ARCO has not made and will not make at Closing, any representation or warranties whatsoever as to its title to the Property. ARCO has delivered to Buyer as of the date of this Agreement preliminary title insurance commitments issued by Lawyers Title Insurance Corporation containing a commitment to issue a standard owner's title insurance policy to Buyer in the full amount of the purchase price at the time of Closing, subject only to the conditions and exceptions to title set forth in this Agreement and in the preliminary title insurance commitments. Prior to Closing, Buyer may make such examination and investigation with respect to ARCO's title to the Property as Buyer deems necessary and desirable. If, within 60 days after the date of this Agreement, Buyer identifies any substantial material defect in ARCO's title to the surface of the Property (as used herein, a "substantial material defect" shall be deemed to be a defect or other matter, of record, which makes ARCO's title to the surface of the Property unmarketable, but the phrase shall not be interpreted as having any application to outstanding rights-of-way, easements, surface leases, lot leases, land use permits and similar rights which may have been previously granted to third parties), Buyer shall give ARCO written notice of such defect, and ARCO shall have 45 days in which to remedy or clear the defect. Buyer shall have the right to terminate this Agreement and receive a refund of the earnest money pursuant if the defects noticed to ARCO within the 60 day period are not remedied prior to Closing, then the Buyer shall have the option of terminating this Agreement and neither Party shall have any further rights or obligations under this Agreement except as to confidentiality and return of data as set forth in Article 4 hereof.

10. Possession. Buyer shall be entitled to possession of the Property upon Closing subject to existing leases or rental agreements covering the Property or at such earlier date as Buyer and ARCO may mutually agree.

11. Annual Assessment Work. If Closing occurs prior to July 15, 1988, Buyer shall perform the annual assessment work on the unpatented mining claims for the assessment year ending August 31, 1988 in order to satisfy the requirements of the mining laws of the United States. If Buyer performs said assessment work, he agrees to make in a timely fashion all filings of affidavits concerning the completion by Buyer of such assessment work as required by applicable state law and by the U.S. Department of Interior and Bureau of Land Management under the provisions of the Federal Land Policy and Management Act of 1976 (43 U.S.C. §1744), and under regulations issued pursuant to such Act.

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If Closing occurs subsequent to July 15, 1988, ARCO shall perform the annual assessment work and the purchase price shall be increased by \$25,000 for a total purchase price of \$950,000, less any qualifying assessment work completed by Buyer or its approved agents or assigns, prior to July 15, 1989 and approved by the Seller.

12. Brokers Commission. Neither ARCO nor Buyer has engaged or employed any broker or finder in connection with the negotiation, execution and delivery of this Agreement, and no brokers or finders' fee or commission shall be due with respect to any aspect of this transaction.

13. Assignment; Inurement. The rights, interests and obligations of Buyer under this Agreement shall not be assigned by Buyer, in whole or part, without the prior written consent of ARCO. Any attempted assignment made by Buyer without such written approval shall be void. All the terms, covenants and conditions of this Agreement shall inure to the benefit of and be binding upon respective heirs, successors and assigns of the parties.

14. Notices. Any notice required to be given hereunder shall be in writing and shall be deemed properly given upon delivering it personally to the party to be notified, or upon mailing the notice, by registered or certified mail, return receipt requested, to the party to be notified at its address stated below, or at such other address within the United States of America which the party to be notified may have designated prior thereto by written notice to the other:

BUYER: Rico Development Corporation
7373 N. Scottsdale Road, B-160
Scottsdale, Arizona 85253
Attn: Marion D. Sell, President

ARCO: ARCO Coal Company
Division of Atlantic Richfield
Company
555 Seventeenth Street
Denver, Colorado 80202
Attn: John Hardin

15. Further Assurances. Either party, at the request of the other, shall execute and deliver to the other any instruments, agreements, documents, permits or applications, or any other papers reasonably required by the requesting party, and shall do such other acts as may be reasonably requested by the other, all to effect the purposes of this Agreement.

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16. Miscellaneous.

(a) This Agreement and all other instruments executed by the parties in the furtherance of the transaction contemplated hereby and the rights and obligations of the parties hereunder shall be governed and construed in accordance with the laws of the State of Colorado;

(b) The invalidity or unenforceability of any portion or provision of this Agreement shall in no way affect the validity or enforceability of any other portion or provision of this Agreement;

(c) Time is of the essence of this Agreement;

(d) Buyer and ARCO each represent and warrant to the other that they have full power and authority to execute this Agreement;

(e) All exhibits mentioned in this Agreement shall be attached hereto and shall be an integral part hereof; and

(f) Headings and captions hereof are for convenience and reference only and shall not be considered in interpreting the provisions hereof.

17. Entire Agreement. This writing sets forth the entire agreement and understanding between the parties, there being no oral agreements, promises or representations which are or may be incidental or supplementary to the provisions hereof. No change in, addition to, or waiver of any of the provisions of this Agreement shall be binding upon the parties unless made in writing and signed by an authorized representative of the party to be bound. No waiver by any party of a breach of any of the provisions of this Agreement shall be construed as a waiver of any subsequent breach, whether of the same or of a different character.

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IN WITNESS WHEREOF, the Parties have executed this Agreement
as of the date first written above.

Jan

JRH

JP

ATLANTIC RICHFIELD COMPANY

By: Thomas H. Parker
Title: Vice President

BUYER

RICO DEVELOPMENT CORPORATION

By: William D. Seel
Title: President

ELD000703806

msl

STATE OF)
) ss
COUNTY OF)

The foregoing instrument was acknowledged before me this
11th day of May, 1988, by Thomas H. Parker
of ATLANTIC RICHFIELD
COMPANY, a Delaware corporation, on behalf of the corporation.

Marilyn Boldt
Notary Public

Address:

MARILYN BOLDT

555 Seventeenth Street

Denver, Colorado 80202

My commission expires August 28, 1991.

My Commission Expires: 8-28-91

STATE OF ARIZONA)
) ss
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this
5th day of May, 1988, by MARION D. SELL,
as President on behalf of
RICO DEVELOPMENT CORPORATION, ~~a partnership~~ a Colorado
corporation.

Kathleen Smith
Notary Public

Kathleen Smith

Address:

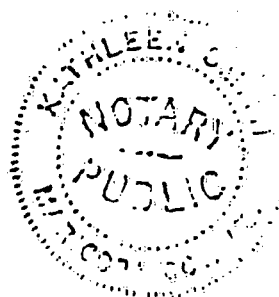
7373 N. Scottsdale Rd., B-160

Scottsdale, Arizona 85253

My Commission Expires:

My Commission Expires Aug 13, 1991

LDM:2:smp



ELD000703807

mt

ANACONDA Copper Company

555 Seventeenth Street
Denver, Colorado 80217
Telephone 303 575-4000



August 7, 1980

Kenneth D. Hubbard, Esq.
Holland & Hart
555 Seventeenth Street, Suite 2900
Denver, Colorado 80202

RECEIVED
AUG 08 1980

Re: Rico Property Exhibits

BY MINERAL LANDS DEPT.

Dear Ken:

Attached for your information and review are retyped versions of Exhibits A, B and C. The attached versions of Exhibits A and B are, hopefully, the same as the "marked copies" of those Exhibits which I sent to you yesterday.

Exhibit C has been revised in accordance with my handwritten draft (copy enclosed) and covers exactly the same properties, including the "timber rights only" parcel, as the earlier version. As you can see, all I have really done with this Exhibit is consolidate the property descriptions and make reference to the last recorded document in Rico Argentine's chain of title to these "Segregated Lands."

Copies of those earlier conveyances were to have been left in our offices last week, but some how ended up back in Dove Creek. Once they are returned to Denver, I will fill in the "blanks" which I have left in the description of each of these documents, and check each of the descriptions.

Please call if you have any comments or questions.

Very truly yours,

Douglas V. Johnson
Attorney

DVJ:mjo

Enclosure

cc: R. R. Gregory (w/enc.)
C. C. Fossum "
E. H. Brinley "
G. E. Rupp (w/o enc.)

AUG 08 1980

ANACONDA Copper Company

555 Seventeenth Street
Denver, Colorado 80217
Telephone 303 575-4000



54

BY HAND

August 12, 1980

Kenneth D. Hubbard, Esq.
Holland & Hart
555 Seventeenth Street, Suite 2900
Denver, Colorado 80202

Re: Rico Property Exhibits

Dear Ken:

Attached for your information and review are versions of Exhibits A and B, marked for final typing, where corrections indicate the final changes which have been made in response to the questions I noted in my letter to you of August 6. (The "base," on which the changes shown on the attached were made, is the same as the versions of Exhibits A and B which I enclosed with my letter of August 7.)

Please call if you have any comments or questions.

Very truly yours,

Douglas V. Johnson
Attorney

DVJ:mjo

Enclosure

cc: Robert R. Gregory, Esq. (w/enc.)
Clifford C. Fossum, Esq. "
E. H. Brinley, Esq. " AUG 12 1980
G. E. Rupp (w/o enc.)

ANACONDA Copper Comp

555 Seventeenth Street
Denver, Colorado 80217
Telephone 303 575-4000

AUG 18 1980



August 15, 1980

EH

Robert R. Gregory, Esq.
Secretary and General Counsel
Crystal Oil Company
P. O. Box 21101
Shreveport, LA 71120

Rico A - Crystal Agreement

Re: Rico Development Company Property

Dear Bob:

On August 4 you asked me if it would be possible for a direct conveyance of the Rico Development Company's property at Rico to be made to Anaconda at closing.

Although I tentatively indicated at that time that I did not believe this would present any problems for us, I have now reviewed your request with our management and we would agree to receive such a "direct" conveyance provided: (i) we receive, at closing, a Deed in recordable form, executed by Rico Development Company, conveying all of that Company's right, title and interest in the various properties which our title examination indicates are owned by Rico Development; and (ii) we receive something in writing from Crystal Exploration which indicates that the warranties which we would otherwise receive by Deed from Crystal Exploration at closing would be enforceable against Crystal Exploration without regard to the fact that title to these particular properties has not passed through that entity, and they therefore are not included in the Mining Deed.

I am hopeful that by Monday Ed Brinley will have completed his review of the property description your office prepared for the Rico Development Company's Deed (which I understand was to have been telecopied to him earlier this week), and that you or Holland & Hart will then be able to proceed with preparation of a final Deed. I have talked with Ken Hubbard regarding the document extending Crystal Exploration's warranties to this conveyance, and I believe that this can be handled by a brief letter to be executed by Crystal Exploration as one of the closing documents.

Robert R. Grego., Esq.
August 15, 1980
Page Two

Please advise if you have any problem with proceeding in this manner.

Very truly yours,



Douglas V. Johnson
Attorney

DVJ:mjo

cc: Kenneth D. Hubbard, Esq.
Davis O'Connor, Esq.
G. E. Rupp
E. H. Brinley

ANACONDA Copper Com

555 Seventeenth Street
Denver, Colorado 80217
Telephone 303 575-4000



EXPRESS MAIL

August 20, 1980

Robert R. Gregory, Esq.
Secretary and General Counsel
Crystal Oil Company
P. O. Box 21101
Shreveport, LA 71120

Re: Property Description for Rico Development Company Deed

Dear Bob:

Ed Brinley and I have now reviewed the Exhibit "A" which was sent from Shreveport to Ed last week. It is my understanding that this was the proposed property description for the Rico Development Company Deed which we have previously discussed.

In any event, we have only two comments or corrections with regard to that Exhibit:


1. Lots 3 and 4 and 32 through 34 of Block 11 are referred to as "(Partials)." I understand this reference is intended to indicate that these lots are smaller than the "normal" size lot in the Rico Townsite. I am concerned that the use of the qualifying word "(Partials)" in the Exhibit will lead to the possibility of a misinterpretation that only a part of these lots is to be conveyed and therefore, as it is my understanding that all of each of these lots, even though smaller than standard size, is meant to be conveyed by this Deed, that any reference to "(Partials)" be omitted.
2. Our title work indicates one omission from your property description. The Rico Development Company owns the North 20 feet of Lot 31, and all of Lots 32 through 40, inclusive, in Block 14 of the Rico Townsite. This property should be added to the Exhibit.

As this proposed Exhibit does not contain any reference to the "Rico Townsite," nor indicate that it only pertains to the surface estate (as opposed to all minerals, which have been

Robert R. Gregory, Esq.
August 20, 1980
Page Two

reserved to Crystal Exploration), I have to assume that that information is in the copy of the Deed which we did not receive. In any event, I have requested that Ken Hubbard or Davis O'Connor contact you with regard to the possibility of our preparing the final version of this Deed in Denver for your review and approval.

Very truly yours,


Douglas W. Johnson
Attorney

DVJ:mjo

cc: Kenneth D. Hubbard, Esq.
Davis O'Connor, Esq.
G. E. Rupp
E. M. Savelson
~~E. H. Brimley~~

2 PM AUG 20 1980



ANACONDA Copper Com[
555 Seventeenth Street
Denver, Colorado 80217
Telephone 303 575-4000



BY HAND

August 21, 1980

Davis O'Connor, Esq.
Holland & Hart
555 Seventeenth Street, Suite 2900
Denver, Colorado 80202

Re: Further Changes in Property Description for
Rico Development Company Deed

Dear Davis:

Ed Brinley has just advised me of the need to make further additions to the proposed Exhibit "A" to the Quitclaim Deed from Rico Development Co., Inc. to Anaconda, to be delivered at closing.

Specifically, these changes are to add the following properties within the Rico Townsite to that Exhibit: Block 2, Lots 9 through 12, and Lot 16; Block 14, Lots 24 through 28.

No other changes have been made from the version of Exhibit "A" which I delivered to you yesterday afternoon.

I know that you want to discuss these changes with Ed in Cortez on Monday.

Very truly yours,

Douglas V. Johnson
Attorney

DVJ:mjo

cc: Kenneth D. Hubbard, Esq.
Robert R. Gregory, Esq.
G. E. Rupp
E. H. Brinley

AUG 21 1980
2 PM (SLD)



Date: February 19, 1981

Subject: Outstanding Problems and Commitments,
Rico Lot Sales' Contracts

From/Location: D. V. Johnson

To/Location: Robert R. Gregory, Esq.

It is the purpose of this memorandum to set out the various problems, remaining commitments and "loose ends", of which Anaconda is currently aware, with respect to those certain Receipt and Option Contracts and verbal agreements between various parties and either Crystal Exploration, Rico Argentine Mining Co., or Rico Development Company, Inc., which are itemized as "exceptions" 3 through 8, inclusive, on Schedule 6 attached to that certain Mining Deed dated August 27, 1980 from Crystal Exploration and Crystal Oil to Anaconda. (However, it is not the purpose of this Memorandum to comment upon those previous conflicts, involving either Rico Development or Crystal Exploration and various third parties, which are identified in Paragraphs 12(a) and 12(b) of the Closing Agreement between Crystal Exploration, Crystal Oil and Anaconda, also dated August 27, 1980.)

There are two "loose ends" which pre-date the Contracts and agreements set out as "exceptions" to the Mining Deed, and pre-date Anaconda's purchase of the Rico property. Orval Jahnke seems to be of the opinion that someone has the responsibility for purchasing electrical wire which was used to wire a building sold by either Crystal Exploration or Rico Development to someone named "Curran" at sometime prior to August 26, 1980; and that someone has the obligation to pay \$58.47 for lumber used to repair a roof which broke under heavy snows during the winter of 1979-1980 and was part of a garage which either Crystal Exploration or Rico Development sold to someone named "Weisbrod." I assume that these changes were incurred on behalf of either Crystal Exploration, or Rico Development. You may want to discuss this further with Mr. Jahnke, who I assume will be able to provide you with supporting statements, invoices or other documents. Additionally, I believe there may be some as yet unpaid bills for surveys associated with various town lots sold, or contracted for sale, by Crystal Exploration or Rico Development in the past.

The Receipt and Option Contract dated December 10, 1979, between Jim and Alta Mae Cooper and Crystal Exploration (Exception 3 to said Schedule 6) was closed on August 6, 1980. We understand that all the proceeds from this transaction have been distributed, and are aware of no problems with respect to this transaction.

Robert R. Gregory, Esq.
February 19, 1981
Page 2

The Receipt and Option Contract dated October 10, 1978, between Richard B. and Garey S. Erickson and Crystal Exploration (Exception 4 to said Schedule 6) never closed, apparently when the parties became involved in divorce proceedings. However, we believe that the closing date for this contract (originally February 10, 1980) may have been extended to a more recent date after our August 27 closing and, in any event, Mr. Jahnke has been unable to obtain a signed document from the Ericksons' relinquishing their rights under this Contract. We also understand that the broker responsible for all of these transactions (James R. Aiken of Frontier Realty in Cortez) has the Ericksons' \$300 deposit in his escrow account.

The Receipt and Option Contract dated December 21, 1979, between T. L. and Marjorie H. Sexton and Crystal Exploration (Exception 5 to said Schedule 6) was not closed, and we understand that Mr. Jahnke obtained some form of written relinquishment of the Sextons' rights under this Contract. However, we also understand that the Sextons' \$500 deposit remains in the broker's escrow account.

The Receipt and Option Contract dated March 27, 1980, between Hallet B. and Susan C. Elson and Crystal Exploration (Exception 6 to said Schedule 6) was apparently closed on or about September 26, 1980, and we understand that the proceeds received from that sale have been distributed by the broker. (My records indicate that at closing the purchasers received only a Deed from Crystal Exploration and Production Company dated June 2, 1980.) However, we understand that a commitment has been made that someone would pay for wire provided to the Elsons subsequent to closing to provide electrical service to a building located on one of the lots which they purchased. I assume, as this wire was provided with respect to the Elsons' Contract, that Crystal Exploration will stand this expense. I believe that Mr. Jahnke should be able to provide you with supporting statements, invoices and other documents regarding this expenditure.

With respect to that certain unwritten agreement between Ed Merritt and Rico Argentine Mining Co. concerning Mr. Merritt's purchase of the "Thompson Tract" (Exception 7 to said Schedule 6), we understand that this transaction was closed last month, although I have no knowledge as to whether or not the proceeds from that transaction have yet been disbursed by the broker. (At one point shortly after that closing, when it was unclear to all of us who should receive those proceeds, I attempted to give instruction that they should be held by the broker pending a resolution of the questions regarding entitlement.) Also, I am aware that this transaction required special surveying due to a reliction problem with the Dolores River, and there may be some unpaid surveyor's bills with

Robert R. Gregory, Esq.
February 19, 1981
Page 3

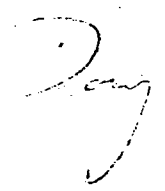
respect to this sale. (I have no idea what type of deed Merritt received in this transaction, or who executed it, although I do know that Anaconda, at Mr. Jahnke's request, did provide a Quitclaim Deed to Mr. Merritt covering "An easement for purposes of a roadway in the NE 1/4 of Section 35, T.40N., R.11W., N.N.P.M., Dolores County, Colorado, being 20 feet in width, and being 10 feet each side of the following center line . . . excepting and reserving . . . all oil, gas, minerals")

With respect to the Receipt and Option Contract dated July 10, 1979, between Rico Development Company, Inc. and Norman E. Lepker, Roxiena Joan Lepker, Robert W. Love and Judy A. Love (Exception 8 to said Schedule 6), covering the East 3/4 of Lots 37, 38, 39, and 40 of Block 12 in the Rico Townsite, we have some more significant problems, as a proofreading error in the 1978 Partial Decree in the Quiet Title Action granted the West 75 feet of those Lots to Crystal Exploration. As the local Title Insurance Company has refused to give the purchasers a satisfactory title commitment and the purchasers still desire to receive clear title to the East 3/4 of these Lots, this problem can only be resolved in a Quiet Title Action. Based on a preliminary discussion with Cliff Fossum yesterday, it appears that a separate Quiet Title Action brought on behalf of Crystal Exploration or Rico Development Company would be more expeditious than attempting to resolve this problem as one of the many issues to be resolved in the continuing Quiet Title Action which Crystal Exploration began sometime ago, and which Anaconda is now continuing. However, Cliff has promised to research the number of parties to be noticed, the previous responses received prior to the 1978 Partial Decree with respect to these Lots, and other pertinent questions and to advise me by telephone tomorrow regarding which would be the more expeditious course. I will advise you regarding his conclusions and recommendations as soon as I receive them.

I believe that this covers all of the pending lot sales and related problems of which we are aware in the Rico Townsite. If I can provide further information, please do not hesitate to call, although I believe that either Mr. Jahnke or Mr. Aiken could probably provide you with more complete answers to any questions, and certainly provide you with copies of pertinent documents.

DVJ:mhb

cc: Davis O'Connor, Esq.
G. E. Rupp
D. L. Janowski
Orval Jahnke



ANACONDA Copper Company

Internal Correspondence
Legal Department — Confidential



Date: February 26, 1981

Subject: "Assurances" to Crystal Regarding
Future of Rico Telephone Company

From/Location: D. V. Johnson DAT/1842

To/Location: G. E. Rupp DAT/1570
Jeff Pond
Davis O'Connor

RECEIVED
FEB 27 1981
DOMESTIC METALS

Attached is a rough draft of a letter which I would propose to send, over my signature, to Bob Gregory at Crystal.

Essentially, this letter is an attempt to reassure Crystal that, in the event that Orval Jahnke's plans to purchase the Rico Telephone Company do not reach a successful conclusion, for whatever reason, that Anaconda would not immediately "bounce" the Telephone Company back to Crystal.

I have discussed this approach with Bob, and he does not appear to have any problems with it, provided that he likes the letter. At the same time, I tried to restrict this to something less than an "agreement" or a formal commitment by Anaconda in hopes that Jeff Pond will be able to review it, and determine that it is not a document which will have to be provided to the Public Utilities Commission in connection with any transfer or similar proceeding regarding the Telephone Company.

I would appreciate receiving your specific comments regarding the attached draft. Thank you.

DVJ/kf

Enclosures

cc: D. L. Janowski DAT/1573 (w/enc)
J. C. Wilson DAT/1568 (w/enc)

March __, 1981

Robert R. Gregory, Esq.
Secretary and General Counsel
Crystal Oil Company
P. O. Box 21101
Shreveport, Louisiana 71120

Re: Future of Rico Telephone Company

Dear Bob:

In response to your recent questions regarding the "future" of the Rico Telephone Company (the assets of which were contingently assigned to Anaconda by Crystal Exploration last August 27, subject to approval of the Public Utilities Commission of Colorado), please be advised that we have reached a verbal agreement with Orval Jahnke, on substantially the same terms he discussed with Joe Boddie last summer, and we anticipate the execution of a Purchase and Sale Agreement between Mr. Jahnke and Anaconda in the near future. (This agreement contains a provision which requires execution of an "addendum" by which Crystal Exploration promises its full cooperation in the conveyances and P.U.C. proceedings necessary to effectuate the actual transfer of the Telephone Company's assets to Mr. Jahnke.) By that Purchase and Sale Agreement, Anaconda would contingently assign all of its interest in the assets of the Telephone Company to Mr. Jahnke, subject to Public Utilities Commission approval, expressly providing that Mr. Jahnke will be responsible for obtaining that approval within a specified period of time, and provide that all of his rights to purchase the Telephone Company's assets will terminate if he fails to obtain such approval within that period of time.

CONFIDENTIAL

DRAFT
2/26/81-DVT

As I understand it, you are concerned that, in the event that the sale of the Telephone Company's assets to Orval should fail to "close," for any reason, Anaconda would, at that time, rely upon the last paragraph of Section 7 of the Closing Agreement between Crystal Exploration, Crystal Oil and Anaconda dated August 27, 1980, which states in pertinent part: "The parties further agree that in the event the Public Utilities Commission fails to authorize the sale of the assets of the Rico Telephone Company . . . then said transaction shall be rescinded and all right, title and interest in the assets of the Rico Telephone Company shall revert to Crystal."

As you are aware, Anaconda, like Crystal Exploration, has no interest in owning and operating the Telephone Company. However, because of Anaconda's continuing operations in the Rico area, Anaconda does have a very real interest in adequate telephone service being provided by a qualified operator. For this reason, in the event that our anticipated sale to Orval were not to "close," for any reason, the next thing which Anaconda would attempt to do would be to arrange the sale of the Telephone Company's assets to a qualified third party.

In this regard, you should know that last fall Dawn Janowski had several inquiries from Orville Lewis, who operates the Farmer's Mutual Telephone Company in Pleasantview, Colorado. Mr. Lewis has operated this independent telephone company for 20 years and his "service area" is apparently adjacent to Rico Telephone's "franchise." According to Mr. Lewis, he previously approached Crystal last summer about buying the Telephone Company, but was "turned down," apparently because of your verbal understanding with Mr. Jahnke. In any

event, Farmer's Mutual is a cooperative telephone company with over 300 subscribers and, as such, is eligible to borrow money from the Federal Rural Electrification Administration at 2% interest. To date, we have neither encouraged nor discouraged Mr. Lewis, but have merely indicated that we would be in touch with him if we were interested in discussing his interest in the Telephone Company further. Farmer's Mutual is obviously one of the "qualified third parties" which Anaconda would contact in an attempt to effect a sale of the Telephone Company's assets which would offer the possibility of adequate telephone service at Rico for Anaconda.

In the event that Anaconda were unable to find any qualified third party to purchase and operate the Telephone Company, or no such person could obtain the necessary Public Utilities Commission approval, Anaconda would be faced with the difficult decision of whether or not it should own and operate the Telephone Company itself. As you are well aware, such a course of action would entail numerous minor problems for Anaconda, but certainly would make Anaconda directly responsible for the quality and adequacy of the telephone service it receives at Rico. However, I do not believe that this matter has received serious consideration by Anaconda's management and, at this time, there is no way that I can "guarantee" that, were such a decision to be considered by Anaconda, Anaconda would not determine that the best course of action would be for it to rely upon the above-quoted paragraph in the Closing Agreement.

I trust that this letter adequately responds to the questions which you have raised. If it does not, please call me in order that we may discuss your concerns in this matter further. With best personal regards,

Very truly yours,

Douglas V. Johnson
Senior Attorney

DVJ/kf

cc: Jeff Pond, Esq.
Davis O'Connor, Esq.
G. E. Rupp
D. L. Janowski
J. C. Wilson

Document #15

SHEET 7

5-008

DIAMOND DRILL HOLE N ^o 19	DIAMOND DRILL HOLE N ^o 21	DIAMOND DRILL HOLE N ^o 20
LOCATION - DRILL STATION NO. 1 4408' FROM PORTAL COURSE - N39°W ANGLE - +45° DRILLED BY - BOYLES BROS. - S.L.C. GEOLOGY BY - E.C.L. DATE - MARCH 1933	LOCATION - DRILL STATION NO. 4 FROM PORTAL COURSE - DUB EAST ANGLE - -42° DRILLED BY - BOYLES BROS. - S.L.C. GEOLOGY BY - E.C.L. DATE - MARCH 1933	LOCATION - DRILL STATION NO. 1 4408' FROM PORTAL COURSE - DUE WEST ANGLE - -62° DRILLED BY - BOYLES BROS. - S.L.C. GEOLOGY BY - E.C.L. DATE - MARCH 1933
<p>SS - Gray medium grained. Slightly shaly with shale bands in places. Few small calcite stringers.</p> <p>10</p> <p>20 SS - Light gray to yellowish green. Medium to coarse gr. Pyrite with Py at 21'</p> <p>SHALE - Gray, sandy.</p> <p>LS - Strong Py. at 28.5</p> <p>30 SHALE - Gray. Sm. calcite stringers</p> <p>SS - Fine grained light gray. Small calcite stringers with Rhodo.</p> <p>40</p> <p>SHALE - Dark gray. Slightly sandy in part. 3" calcite vein matter and some Rhod. at 50'</p> <p>50</p> <p>60 SS - Pyritic, gray to light gray. Few small Py stringers. Calcite stringer at 61' with FeS₂ & PbS</p> <p>70</p> <p>SHALE - Gray. In part sandy. Few small calcite stringers</p>	<p>Sandy gray SHALE</p> <p>SS - Shaly, gray, fine grained.</p> <p>10</p> <p>SHALE - Black to gray.</p> <p>20</p> <p>SS - Fine grained gray, shaly.</p> <p>30</p> <p>SHALE - Gray - Limey streak with Py. 31-32' Also limey at 34'</p> <p>40</p> <p>Coarse light gray Grit. Few bunches disseminated Pyrite. Traces PbS at 50'. Massive Pyrite with lime 40-42'. 50% core</p> <p>50</p> <p>SHALE - Broken gray 35% core.</p> <p>60</p> <p>SHALE - Broken, black</p> <p>70</p> <p>SS - Medium to fine grained gray; shaly.</p>	<p>SS - Gray shaly medium grained</p> <p>10</p> <p>SHALE - Gray to black. In part sandy.</p> <p>SS - Gray medium grained, calcareous</p> <p>20 Diss. bunches Py.</p> <p>LS - Shaly, gray.</p> <p>30</p> <p>SHALE - Sandy black</p> <p>40</p> <p>50</p> <p>SHALE & shaly gray SS - Few calcareous streaks show Pyrite</p> <p>60</p> <p>Coarse greenish gray grit? Diss. Py.</p> <p>70</p> <p>SHALE - Gray, sandy</p>

80

S.S. - Gray medium
grained slightly shaly.

90

S.S. - Green gray. Much
Pyrite showing some
alteration. Core broken
93-94'

100 S.S. - Gray med-
ium grained,
slightly shaly in part.
Some diss Pyrite
SHALE - Black, sandy
L.S. - Gray

110

SHALE - Black

S.S. Green-gray med-
ium grained. Sl. shaly.
Gray SHALE to S.S.

120

S.S. - Gray to light gray
medium grained. Sm
string. Pyrite & calcite

130

SHALE - Black, sandy
at bottom.

140

150

S.S. - Light gray med-
ium grained, pure.
Few small Py & Cal. str.

160

SHALE - Sandy

S.S. - Medium grained
gray.

170

Shaly S.S. - Darker
gray.

Sandy gray SHALE

180

Medium to coarse
grained light gray
pyritic S.S. Few Py Str.

80

SHALE - Dark gray
sand streak between
85' & 87'

90

Limestone - Gray
88-90 some Pyrite
Last 2' shaly

SHALE - Gray to black

100

Limestone - Gray; 10% calc

S.S. - Sl. Calc. & pyritic - Gray

110

SHALE - Light gray,
talcy.

120

SHALE - Gray, broken.
50% core recovery.

130

++
++

PORPHYRY - Mottled,
gray. - Much Pyrite
in cuttings.

150

S.S. - Coarse pyritic.
Light gray - In part
shaly

160

QUARTZ PORPHYRY

170

BOTTOM

80

Massive PYRITE
6" Core.

90

S.S. - Gray, some Py.

Gray to light gray
shaly S.S.

100

SHALE - Gray; sandy
Sm. Strk. with Pb S at 105

BOTTOM

110

190 SHALE-Dense,
black to gray.

Light gray coarse S.S.
or grit. Few small
Pyrite stringers

200

SHALE-Gray

210

S.S.-Med. Gr., Gray, Py.

SHALE-Sandy gray.

220

230

S.S.-Shaly gray
medium grained

240

250

260

270

Shaly S.S. to sandy
SHALE-Gray

280

290

Massive Pyrite-Finely
xtalline- Small Quartz
inclusions in replace.

300

400

310

S.S. - Shaly, gray
Some disseminated
Pyrite 319-320

320

SHALE - Dark gray
Few small stringers
pyrite & calcite

330

340

S.S. - Medium grained
Gray to light gray
Few sm. Py. Stringers.

350

SHALE - Gray, sandy
in part.

360

370

S.S. - Light gray
to white. Medium
grained, pyritic

SHALE - Gray, sandy
in part.

380

S.S. Medium grained
gray, slightly shaly
& pyritic

390

410

Gray SHALE with some
lime & secondary
Pyrite between 414
& 415. Soft broken
core - 18% recovery.

420

Runner reports
fault.

430

SHALE - Gray, sandy.

440

S.S. - Gray to light gray
medium grained; pyritic

450

SHALE - Gray; much
secondary Pyrite.
18% core recovery.
Heavy flow water
between 454-460.

Massive Pyrite;
460 bits of shale

Gray SHALE - Some
Pyrite.

470

S.S. - Gray to light
gray medium grained
Slightly porous texture

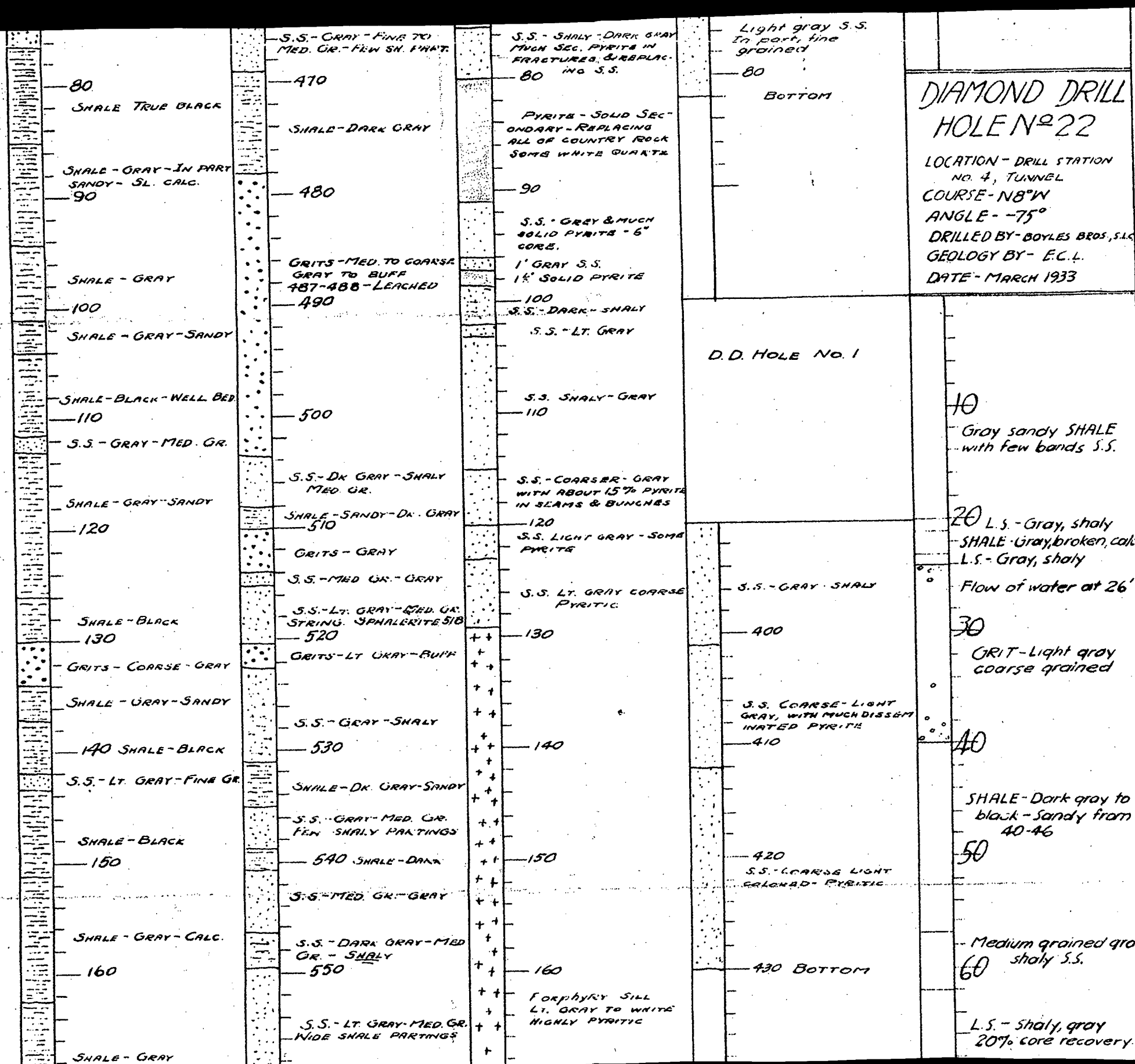
480

490 BOTTOM

SHEET I

5-040

DIAMOND DRILL HOLE No. 3 ST. LOUIS S & R CO. LOCATION: 4828' N 71° E PORTAL ST. L. TUNNEL VERTICAL DOWN HOLE GEOLOGY: E. C. L. DATE: JANUARY 1932 DRILLED BY: BOYLES BROS. SALT LAKE CITY	DIAMOND DRILL HOLE No. 3	DIAMOND DRILL HOLE No. 1 ST. LOUIS S & R CO. LOCATION: 4408' N 70° E PORTAL ST. L. TUNNEL VERTICAL DOWN HOLE GEOLOGY: G. W. CRANE DATE: NOV. 1931 DRILLED BY: BOYLES BROS. SALT LAKE CITY	DIAMOND DRILL HOLE No. 2 ST. LOUIS S & R CO. LOCATION: 4408' N 71° E PORTAL ST. L. TUNNEL 65° UP-HOLE N 16° E. GEOLOGY: G. W. CRANE DATE: DEC. 1931 DRILLED BY: BOYLES BROS. SALT LAKE CITY	HOLE No. 18A (CONT'D)
S.S. - GRAY - MED. GR. DISS. BUNCHES PYRITE	S.S. - GRAY - COARSE TO FINE GR.	COARSELY KRALLINE S.S. PYRITIC		
10 SHALE - SANDY GRAY	SHALE - BLACK	HARD SHALY S.S. PYRITIC	10 Dark gray S.S. Few shaly partings Not much pyrite	Shale - gray sandy at 210' 4" Lime mud at 209-209.5'
20 SHALE - BLACK	S.S. - MED. GR. - GRAY 400	20 S.S. FINE GRAINED BUFF - DISSEMINATED BUNCHES OF PYRITE	20 Dark gray sandy shale	210 BOTTOM
30 S.S. - FINE GR. - GRAY SHALE - GRAY	GRITS - COARSE - GRAY SHALE - DK. - SANDY 410	30 SANDY SHALE OR VERY SHALY S.S. DARK GRAY	30 Gray S.S.	
40 S.S. - MED. TO COARSE GRANULAR - MOTTLED S.S. - SHALY - GRAY	GRITS - LT. GRAY 420	40 SS COARSE DARK GRAY S.S. F. GR. GRAY DARK SHALE	40 Fine grained gray shale	
50 PYRITE	SHALE - DARK GRAY 430	50 S.S. LIGHT GRAY SHALY PARTINGS	50 Gray S.S. Some disseminated pyrite 51-53	
60 S.S. - MED. TO FINE GR. GRAY - SHALY MUCH WATER AT 55'	SHALY L.S. ARGILLITE SHALE - LT. GRAY - CALC. 440	60 COARSE GRITS - LIGHT BUFF. MUCH DISSEMI- NATED PYRITE IN upper 2'	60 Dark gray sandy shale	
70 S.S. - LT. GRAY - FINE GR. SHALE S.S. - SHALY - GRAY	SHALE - BROWNISH - GRAY 450	70 S.S. - LT. GRAY FINE GRAINED WITH SHALY BANDING - SOME SEC. PYRITE IN FRACTURES		
S.S. - MED. GR. - GRAY FEW SHALE PART.	S.S. MED. GR. - GRAY GRITS - LT. GRAY S.S. - GRAY - MED. GR. SHALE - DK. GRAY - SANDY 460 S.S. - LT. GRAY - FINE GR. SHALE - DARK GRAY			



DIAMOND DRILL HOLE N°22

LOCATION - DRILL STATION NO. 4, TUNNEL

COURSE - N8°W

ANGLE - -75°

DRILLED BY - BOYLES BROS., S.L.C.

GEOLOGY BY - E.C.L.

DATE - MARCH 1933

D.D. HOLE No. 1

10

Gray sandy SHALE with few bands S.S.

20

L.S. - Gray, shaly
SHALE - Gray, broken, calc.
L.S. - Gray, shaly

Flow of water at 26'

30

GRIT - Light gray coarse grained

40

SHALE - Dark gray to black - Sandy from 40-46

50

Medium grained gray shaly S.S.

60

L.S. - Shaly, gray
20% core recovery.

170
S.S. - GREEN-GRAY - SH.
SM. AM'T. PYRITE

SHALE - GRAY

180

S.S. - MED. GR. - GRAY

190

PORPHYRY

210

220

PORPHYRY - DENSE

230

240

250

260

PORPHYRY
MUCH WATER AT 265'

270

560

SHALE - GRAY TO BLACK

570

1" VEIN Qtz. & Pyrite

580

SHALE

ARGILLITE - LT. GRAY

590

ARGILLITE - LT. TO DK. GR.

600

GYPSUM - LT. GRAY TO
WHITE

SHALE - GRAY TO BLACK

610 S.S. - DK. GRAY

S.S. - MED. TO COARSE
GREENISH GRAY

SHALE - GRAY - WELL BEDD.

620

SHALE - BLACK TO GRAY

630

640

650

660

170

180

FINE GRANULAR PYRITE

PORPHYRY

FINE GRANULAR PYRITE

200

210

220

PORPHYRY SILL
LT. GRAY TO WHITE
WITH MUCH DISSEM-
INATED PYRITE

230

240

S.S. BOTH COARSE
& FINE GRAINED LT. GR.

250

S.S. DARKER SHALY

S.S. COARSE - LIGHT
GRAY

260

S.S. - LIGHT GRAY
FINE GRAINED

S.S. DARK - SHALY

270

S.S. - COARSE LT. GRAY

DIAMOND DRILL HOLE NO 18A

LOCATION - FACE NW X-CUT
NO. 2, STATION 5 PLUS 208

COURSE - N 30° E

ANGLE - + 80°

DRILLED BY - BOYLES BROS. S.L.C.

GEOLOGY BY - E.C.L.

DATE - DEC 1932

10

S.S. - Med. Gr.
gray. Seams

20

Impure light
greenish gray
L.S.

30 S.S.

Talc - Soft - Yellow-
green.

40

Gray sandy
shale.

True gray shale

50 Crumbly S.S.

Gray shale

Crumbly S.S.

Shale-gray

In part sandy

60

S.S. - First 4'
Lt. gray crumbly

Dark gray shaly
S.S.

70

Lt. gray S.S. Med.
grained. Slightly
calcareous in part

80 Shale-gray

S.S. - gray Med.
grained.

70

Black SHALE

Argillite - Gray, calc. at base

SHALE - Gray

S.S. - Gray, calcareous

80

SHALE - Gray to dark
gray. Slightly sandy.
Broken & calcareous
in places.

90

100

S.S. - Gray to light
gray, medium grain-
ed. Few small bunch-
es disseminated
pyrite, especially in
proximity of small
stringers

120

PORPHYRY - Mottled
monzonitic sill rock
type. Few small
pyrite stringers evi-
dent.

130

BOTTOM

140

350	SHALE - GRAY - CALC.	740	SHALE - GRAY - GREEN THIN BEDDED	350	MOSTLY PYRITE REPLACING GRAY SHALY S.S. NO LIME REACTION	160	S.S. - Gray - Med grained. Few shale partings.
360	SHALE - BLACK - SL. CAL.	760	S.S. - GRAY	360		170	
370	GRITS - COARSE - LT. GR.	770	S.S. - MED TO COARSE GR. - GRAY	370	SHALE - DARK - SANDY	180	Shale to shaly S.S.
380	S.S. - GRAY - MED. GR.	780	SHALE - BROKEN GRAY - SANDY - SL. CALC.	380	S.S. - COARSE CRYSTALLINE	190	Shale - gray S.S. - Lt. gray to white. Fine gr. Slightly calc.
390	GRITS - COARSE - GRAY			390	S.S. GRAY - SHALY	200	Porphyry
	SHALE - GRAY						
	S.S. - FINE GR. - GRAY FEW SHALE PARTINGS						
	GRITS - LT. GRAY						

TARGET SHEET
EPA REGION VIII
SUPERFUND DOCUMENT MANAGEMENT SYSTEM

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MAP - PROSPECTIVE MINE AREA PLAN, Rico Argentine Co-Ordinates -
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